

# Investigations

## Frequently Asked Questions

- What kinds of things does the Oklahoma Real Estate Commission investigate?
- What if the actions of the real estate licensee are unethical?
- What does the Commission NOT investigate?
- What are the possible disciplinary actions that may occur?

### **What kinds of things does the Oklahoma Real Estate Commission investigate?**

OREC investigates violations of the real estate licensing law by licensed real estate brokers and sales associates, and by unlicensed individuals and entities who engage in licensable real estate activities.

### **What if the actions of the real estate licensee are unethical?**

Not all improper actions are illegal, however they may be unethical. If you believe a licensee acted or is acting in an unethical manner, you may want to file a complaint with the licensee's Realtor Association. You may contact the Oklahoma Association of REALTORS® at [www.oklahomarealtors.com](http://www.oklahomarealtors.com).

### **What does the Commission NOT investigate?**

The Oklahoma Real Estate Commission DOES NOT have the authority to investigate:

- **Landlord/tenant disputes** – There is no state agency that enforces the landlord / tenant act. Most local jurisdictions (City or County) have a department that is responsible for these complaints. Please contact your local government for assistance. For City and County listings, click here: [www.ok.gov](http://www.ok.gov).
- **Construction defects** – The Oklahoma Construction Industries Board has jurisdiction concerning construction defects. Please contact them at <http://www.ok.gov/cib/>.
- **Ethics violations** – Things that are not ethical are not necessarily illegal; To file an ethics complaint contact the Oklahoma Association of Realtors® at [www.oklahomarealtors.com](http://www.oklahomarealtors.com).
- **Home Owners Associations (HOA) violations** – There is no governmental agency that regulates HOA's, however, issues with HOA's may be taken before an Administrative Law Judge for a hearing. Issues with HOA's are civil matters and may be resolved through a complaint filed in a Civil Court action. The Commission recommends you obtain advice from a private attorney.
- **Conditions, Covenants & Restrictions (CC&R) violations** – violations of CC&R's are civil and require civil action; contact legal counsel.
- **Loan or Interest Rate problems** – The Department of Consumer Credit regulates Mortgage institutions in Oklahoma. Please contact them at <http://www.ok.gov/okdoacc/>.

- **Title and Title Insurance issues** – The Insurance Department regulates Title and Title Insurance institutions and transactions in Oklahoma. Please contact them at <http://www.ok.gov/oid/>.
- **Homeowner's Insurance** – The Insurance Department regulates Homeowner's Insurance institutions in Oklahoma. Please contact them at <http://www.ok.gov/oid/>.
- **Timeshare issues** - The Securities Commission regulates Timeshare sales and dealers in Oklahoma. Please contact them at <http://www.securities.ok.gov/>.
- **Escrow money disputes** – The Commission does not handle escrow money disputes. These are civil disputes. For more information see [Trust Account & Interpleader Procedures](#).
- **Commission disputes between Licensees** – These are civil disputes and you should contact legal counsel.
- **Criminal actions (trespassing, assault, theft, etc.)** – Contact the local law enforcement agency.

#### **What are the possible disciplinary actions that may occur?**

When a sworn complaint has been filed against a real estate licensee, the Investigations Department notifies the licensee immediately and they are given an opportunity to file an answer within fifteen (15) days of the notice. Subsequent to the fifteen day answer period, the case is then assigned to an Investigator who may conduct Investigative interviews of all involved parties, or a Preliminary Investigative Session may be conducted. A Prosecutor may be designated to examine the results of the Investigation and/or conduct a Preliminary Investigative Session. In the name of the Commission, the Prosecutor may subpoena witnesses, take testimony by depositions and compel the production of records or documents bearing upon the complaint.

Upon completion of the Investigation or Investigative Session, a written report of all findings is submitted to the Commission. If there is insufficient evidence to pursue disciplinary action, the case may be closed.

If the Commission determines formal charges should be lodged, a Formal Hearing is ordered. A Notice of Hearing and Complaint is prepared, which the Commission then sends to the respondent. This notice identifies which statutes or rules the respondent has allegedly violated, and sets a date and time for hearing. The state becomes the complainant and the complainant becomes a witness for the state. An administrative law judge hears the matter in accordance with the Administrative Procedures Act. After the hearing, the administrative law judge prepares and submits to the Commission a recommended Order. The Commission may adopt, modify or reject the recommended Order and issue a Final Order, which may consist of the following:

- Warning/caution
- Monetary Fines
- Continuing Education
- Probation
- Suspension
- Amount of Commissions Earned
- any Combination of the Above

Final Orders may be appealed at the District Court level within 30 days of notice of formal action.